

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE PUBLIC HEALTH SERVICE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

HRP Executive Staff

DATE: October 1, 1974

FROM : R. L. Peterson

SUBJECT: HRP Executive Staff Meeting, September 30

Mr. Rubel reported the House Rules Committee would consider H.R. 16204 on Tuesday and that the bill very probably would come to the floor for debate and a vote by the House next week. On Wednesday the Senate Committee on Labor and Public Welfare was scheduled to begin work-up of its comparison bill (S 2994). He did not forsee Senate passage until after the November election though.

The bulk of the time was spent discussing HRP Bureau organization, with the brief issue paper and draft organization chart distributed on Friday serving as the focus for that discussion. It was agreed that:

- 1. Mr. Rubel would meet with Dr. Pahl, who was absent, before determining the general organizational proposal he wished to proceed with.
- 2. Mr. Croft would translate that tentative determination and the modifications suggested by the discussion into a draft organizational and functional statement. (Those modifications were (1) separation of the policy coordination and evaluation functions, (2) inclusion of the executive secretariat function with the former, and (3) "collapsing "the communications staff into the Office of the Director.)
- 3. The draft statement be specific and concrete in terms of functional responsibilities. In addition, illustrations be included where appropriate so as to reduce ambiguities and the possibility of misunderstanding.

An "Area Designation Issues and Problems" paper was distributed, but it was not specifically discussed because of time. It will be, however, at the next HRP executive staff on Monday, October 7. (A clean copy of that paper correcting a number of typos is attached.)

cc: Dr. Wherritt

Dr. Ellis

designate acceptable areas in lieu thereof. Should a minimum grace period of 30 or 60 days be permitted? With or without such a grace period, who at the Federal level should be responsible for designating areas when negotiations have failed; and how should this be done?

RLP: 9/30/74

Area Designation Issues and Problems

Designation of health services areas will be an important, initial step in the implementation of the Health Resources Planning (HRP) program. Several major issues and problems have been identified in our planning and preliminary implementation efforts to date relative to area designation (AD). Those efforts have been based largely upon H.R. 16204 and the draft House Committee report.

- 1. Only two objective AD requirements are legislatively mandated. They relate to population and SMSAs, and compliance can be readily determined. To what extent do we want to effectively limit the AD requirements to these and allow governors wide latitude within the dynamics at work within their own States, in making designations?
- 2. Waivers to both the minimum population and SMA requirements, are permitted. It is assumed that relatively few waivers should be granted. To want extent, however, do we want to try to "influence" the designations to be made by governors through the criteria employed in reviewing waiver requests, granting or denying them? (For example, we probably want to discourage governors from chopping up existing areas that now have reasonably effective functioning CHP or other agencies and meet the mandated requirements.)
- 3. Approval (or disapproval) of proposed designations, including waiver requests, is reserved to the Secretary. Who should exercise on his behalf the official as opposed to the effective approval authority? (It is assumed that regional offices will have the principal responsibility for reviewing proposed designations, and that their recommendations will be tantamount to approval in the great majority of instances.)
- 4. A small ad hoc review panel consisting of both regional (RO) and central office (CO) staff, has been suggested to handle exceptions. What should constitute an exception? For example, all requested waivers, or only those where RO staff and CO staff disagree; any designation that meets the population and SMSA requirements but which, for whatever reasons, a RO recommends disapproval?
- 5. Governors are required to submit their AD plans within 90 days after the initial notice in the Federal Register (FR); and the Secretary in turn must publish approved designations in the FR within 150 days of that notice. Within those 60 days review must take place. Little time will remain after review to (1) negotiate substantive revisions required as a result of waiver requests denied or other non-approval actions or (2) for the Secretary to